



CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

CONGRESSMAN JIM SAXTON

PRESS RELEASE

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2004 ECONOMIC STRENGTH REFLECTED IN DATA

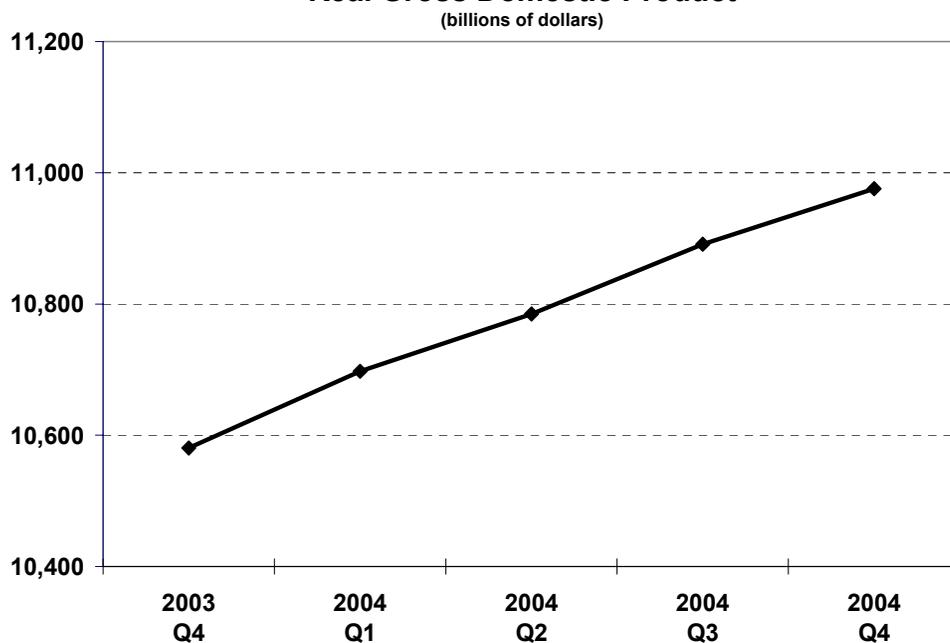
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WASHINGTON, D.C. – Recent data on economic growth show that the expansion has been boosted by strong increases in business investment, Congressman Jim Saxton said today. The U.S. economy grew at a 4.4 percent rate in 2004, boosted by a 13.4 percent jump in business software and equipment investment. Separately, new Commerce Department data released today show strong personal income growth continued in December of 2004.

The pick-up of investment since 2003 led to a more balanced pattern of economic expansion in 2003 and 2004, and an acceleration of the growth rate. This improvement in investment followed the adoption of tax incentives for investment in May of 2003. The resulting faster pace of economic growth also has created 2.5 million payroll jobs since August of 2003.

“The overall rate of economic growth in 2004 was well above the historic average,” Saxton said. “The data show that the economy is strong and has considerable momentum as we move into 2005. The December increases in personal income and outlays reported today are another reflection of positive economic conditions. The tax incentives adopted in 2003 have proven to be effective, working as intended to improve economic growth,” Saxton concluded.

U.S. Economic Expansion Continues Real Gross Domestic Product



Source: Bureau of Economic Analysis / Haver Analytics

For more information on current economic conditions, please visit our website at www.house.gov/jec

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